



Tennessee Housing Development Agency

Andrew Jackson Building Third Floor
502 Deaderick St., Nashville, TN 37243

Bill Lee
Governor

Ralph M. Perrey
Executive Director

MEMORANDUM

TO: All Interested Parties
FROM: Eric Alexander, Director of Multifamily Programs
SUBJECT: **Clarification Regarding Opportunity to Request One-Time Unit Reduction**
DATE: November 15, 2023

In the memo dated October 27, 2023, THDA indicated that it would be allowing recipients of a competitive (i.e. 9%) allocation of Low-Income Housing Credit to request a one-time unit reduction in order to lower development costs.

The unit reduction option however is intended ONLY for projects that had received 2023 Exchange Credits or prior. Recipients of a new allocation of credits in the 2023 Competitive (i.e. 9%) Round are not eligible for this option at the present time.

I apologize for the lack of clarity in the original memo, and any confusion this may have caused.

For eligible developments making this request, all other provisions in the October 27, 2023 memo are still in effect: re-scoring will be waived, and they will not be subject to revocation of the allocation as a consequence of submitting a request.

To submit a request, the following conditions must be met:

1. The development must still be in closing; and
2. The applicant must submit a written request including an updated budget reflecting the unit reduction.

Recipients must submit the written request and required updated budget by November 17, 2023 via email at TNAallocation@thda.org.

No waivers of or extensions to applicable deadlines will be granted to applicants granted permission for a unit reduction.



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